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By: **Delegate Frush**  
Rules suspended  
Introduced and read first time: March 6, 2003  
Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Tobacco Tax - Products Other Than Cigarettes - Tax Rate**

3 FOR the purpose of altering the tobacco tax rate imposed on certain tobacco products  
4 other than cigarettes; providing for the application of this Act; and generally  
5 relating to the tobacco tax rate imposed on certain tobacco products.

6 BY repealing and reenacting, with amendments,  
7 Article - Tax - General  
8 Section 12-105  
9 Annotated Code of Maryland  
10 (1997 Replacement Volume and 2002 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article - Tax - General**

14 12-105.

15 (a) The tobacco tax rate for cigarettes is:

- 16 (1) 50 cents for each package of 10 or fewer cigarettes;
- 17 (2) \$1.00 for each package of at least 11 and not more than 20 cigarettes;
- 18 (3) 5.0 cents for each cigarette in a package of more than 20 cigarettes;
- 19 and
- 20 (4) 5.0 cents for each cigarette in a package of free sample cigarettes.

21 (b) The tobacco tax rate for other tobacco products is [15%] 45% of the  
22 wholesale price of the tobacco products.

23 SECTION 2. AND BE IT FURTHER ENACTED, That the tobacco tax rate  
24 increase imposed on tobacco products other than cigarettes by this Act shall be

1 applicable to all other tobacco products that are sold by a wholesaler to a retailer in  
2 the State on or after July 1, 2003.

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 July 1, 2003.